



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 19, 1997

H.R. 424

A bill to provide for increased mandatory minimum sentences for criminals possessing firearms, and for other purposes

*As ordered reported by the House Committee on the Judiciary on
September 9, 1997*

SUMMARY

Enacting H.R. 424 would clarify and increase mandatory minimum prison sentences for the use of a firearm during the commission of federal crimes that are either crimes of violence or drug trafficking crimes. Assuming appropriation of the necessary amounts, CBO estimates that implementing the bill would result in additional costs of about \$10 million over the next five years to accommodate more prisoners in federal prisons. Enacting H.R. 424 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 424 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and would impose no costs on state, local, or tribal governments.

Current law provides for a mandatory minimum of five years in prison for "using or carrying" a firearm during the commission of a federal crime of violence or drug trafficking crime. Even though the "minimum" sentence is five years, many offenders receive reduced sentences of less than five years for cooperating with federal prosecutors. Under H.R. 424, the mandatory minimum sentence for possessing a firearm during the commission of such crimes would be 10 years. Brandishing a firearm while committing such offenses would result in a 15-year mandatory minimum sentence, and the discharging of a firearm during the commission of such crimes would result in a 20-year mandatory minimum sentence. These penalties would be in addition to any prison time received for the conviction of the underlying offense, and penalties would be higher for a second offense, or if a machine gun, destructive device, firearm muffler, or firearm silencer is used.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO estimates that implementing H.R. 424 would increase discretionary spending for prison operating costs by about \$10 million over the 1998-2002 period, subject to appropriation of the necessary amounts. The following table summarizes the estimated budgetary impact of the bill.

	By Fiscal Year in Millions of Dollars					
	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION						
Spending for Prison Operations						
Under Current Law						
Estimated Authorization Level ^a	2,768	2,867	2,966	3,069	3,176	3,287
Estimated Outlays	2,603	2,764	2,946	3,049	3,155	3,265
Proposed Changes						
Estimated Authorization Level	0	b	1	2	3	4
Estimated Outlays	0	b	1	2	3	4
Spending for Prison Operations						
Under H.R. 424						
Estimated Authorization Level ^a	2,768	2,867	2,967	3,071	3,179	3,291
Estimated Outlays	2,603	2,764	2,947	3,051	6,158	3,269

- a. The 1997 level is the amount appropriated for that year. The estimated authorization levels for 1998 through 2002 reflect CBO baseline estimates, assuming adjustment for inflation.
- b. Less than \$500,000.

The costs of this legislation fall within budget function 750 (administration of justice).

Because this bill would apply to convicted felons who would serve lengthy sentences under current law, CBO expects that the full budgetary effects of H.R. 424 would not be realized until after 30 years when the additional prison population resulting from this bill would reach an estimated 4,500 prisoners and remain steady thereafter. Thus, assuming no significant change in the number of convictions, the cost to the prison system on a long-term basis would total about \$40 million annually (in 1997 dollars for operating costs). Furthermore,

additional prisons would have to be constructed over the next 30 years to support such an increase in prison population. Based on information from the Bureau of Prisons, CBO estimates that added construction costs would likely exceed \$340 million (in 1997 dollars over the 30-year period).

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that the bill will be enacted within the next few months, and that the necessary funds will be appropriated at or near the beginning of each fiscal year.

According to the U.S. Sentencing Commission, enacting H.R. 424 would increase the average sentence imposed on certain offenders by about 60 months. Additional time served, however, could be less than 60 months because of sentence reductions for good behavior or for cooperating with federal prosecutors. Based on information from the U.S. Sentencing Commission, CBO expects that the prison population would increase by at least 380 prisoners over the next five years, taking into account the fact that some convicted felons currently receive sentences of less than five years. At an annual cost per prisoner of about \$8,700 (at 1997 prices), CBO estimates that the costs to support these additional prisoners would total about \$10 million over the 1998-2002 period. This estimate assumes that no additional prisons would be constructed over the next five years to accommodate this increase in prison population. Because the bill would increase a five-year sentence to a sentence of 10 years or more, most of the costs of implementing H.R. 424 would occur after 2002.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA and would not impose costs on state, local, or tribal governments.

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